

106TH CONGRESS
2D SESSION

H. R. 5173

To provide for reconciliation pursuant to sections 103(b)(2) and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2000

Mr. FLETCHER (for himself, Mr. HERGER, Mr. ARCHER, Mr. SHAW, Mr. NUSSLE, Mr. CRANE, Mr. GARY MILLER of California, Mr. LEWIS of Kentucky, Mr. KUYKENDALL, Mr. TANCREDI, Mr. CAMP, Ms. DUNN, Mr. HAYWORTH, Mr. ENGLISH, Mr. SAM JOHNSON of Texas, Mr. PORTMAN, Mr. RAMSTAD, and Mr. GREEN of Wisconsin) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on the Budget, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for reconciliation pursuant to sections 103(b)(2) and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Debt Relief Lock-box
3 Reconciliation Act for Fiscal Year 2001”.

4 **SEC. 2. FINDINGS AND PURPOSE.**

5 (a) FINDINGS.—The Congress finds that—

6 (1) fiscal discipline, resulting from the Bal-
7 anced Budget Act of 1997, and strong economic
8 growth have ended decades of deficit spending and
9 have produced budget surpluses without using the
10 social security surplus;

11 (2) fiscal pressures will mount in the future as
12 the aging of the population increases budget obliga-
13 tions;

14 (3) until Congress and the President agree to
15 legislation that saves social security and medicare,
16 the social security and medicare surpluses should be
17 used to reduce the debt held by the public;

18 (4) until Congress and the President agree on
19 significant tax reductions, amounts dedicated for
20 that purpose shall be used to reduce the debt held
21 by the public;

22 (5) strengthening the Government’s fiscal posi-
23 tion through public debt reduction increases national
24 savings, promotes economic growth, reduces interest
25 costs, and is a constructive way to prepare for the
26 Government’s future budget obligations; and

1 (6) it is fiscally responsible and in the long-
 2 term national economic interest to use a portion of
 3 the nonsocial security and nonmedicare surpluses to
 4 reduce the debt held by the public.

5 (b) PURPOSE.—It is the purpose of this Act to—

6 (1) reduce the debt held by the public by
 7 \$240,000,000,000 in fiscal year 2001 with the goal
 8 of eliminating this debt by 2012; and

9 (2) decrease the statutory limit on the public
 10 debt.

11 **TITLE I—DEBT REDUCTION** 12 **LOCK-BOX**

13 **SEC. 101. ESTABLISHMENT OF PUBLIC DEBT REDUCTION** 14 **PAYMENT ACCOUNT.**

15 (a) IN GENERAL.—Subchapter I of chapter 31 of title
 16 31, United States Code, is amended by adding at the end
 17 the following new section:

18 **“§ 3114. Public debt reduction payment account**

19 “(a) There is established in the Treasury of the
 20 United States an account to be known as the Public Debt
 21 Reduction Payment Account (hereinafter in this section
 22 referred to as the ‘account’).

23 “(b) The Secretary of the Treasury shall use amounts
 24 in the account to pay at maturity, or to redeem or buy
 25 before maturity, any obligation of the Government held

1 by the public and included in the public debt. Any obliga-
2 tion which is paid, redeemed, or bought with amounts
3 from the account shall be canceled and retired and may
4 not be reissued. Amounts deposited in the account are ap-
5 propriated and may only be expended to carry out this
6 section.

7 “(c) There is hereby appropriated into the account
8 on October 1, 2000, or the date of enactment of this Act,
9 whichever is later, out of any money in the Treasury not
10 otherwise appropriated, \$42,000,000,000 for the fiscal
11 year ending September 30, 2001. The funds appropriated
12 to this account shall remain available until expended.

13 “(d) The appropriation made under subsection (c)
14 shall not be considered direct spending for purposes of sec-
15 tion 252 of Balanced Budget and Emergency Deficit Con-
16 trol Act of 1985.

17 “(e) Establishment of and appropriations to the ac-
18 count shall not affect trust fund transfers that may be
19 authorized under any other provision of law.

20 “(f) The Secretary of the Treasury and the Director
21 of the Office of Management and Budget shall each take
22 such actions as may be necessary to promptly carry out
23 this section in accordance with sound debt management
24 policies.

1 “(g) Reducing the debt pursuant to this section shall
 2 not interfere with the debt management policies or goals
 3 of the Secretary of the Treasury.”.

4 (b) CONFORMING AMENDMENT.—The chapter anal-
 5 ysis for chapter 31 of title 31, United States Code, is
 6 amended by inserting after the item relating to section
 7 3113 the following:

“3114. Public debt reduction payment account.”.

8 **SEC. 102. REDUCTION OF STATUTORY LIMIT ON THE PUB-**
 9 **LIC DEBT.**

10 Section 3101(b) of title 31, United States Code, is
 11 amended by inserting “minus the amount appropriated
 12 into the Public Debt Reduction Payment Account pursu-
 13 ant to section 3114(c)” after “\$5,950,000,000,000”.

14 **SEC. 103. OFF-BUDGET STATUS OF PUBLIC DEBT REDUC-**
 15 **TION PAYMENT ACCOUNT.**

16 Notwithstanding any other provision of law, the re-
 17 ceipts and disbursements of the Public Debt Reduction
 18 Payment Account established by section 3114 of title 31,
 19 United States Code, shall not be counted as new budget
 20 authority, outlays, receipts, or deficit or surplus for pur-
 21 poses of—

22 (1) the budget of the United States Govern-
 23 ment as submitted by the President,

24 (2) the congressional budget, or

1 (3) the Balanced Budget and Emergency Def-
2 icit Control Act of 1985.

3 **SEC. 104. REMOVING PUBLIC DEBT REDUCTION PAYMENT**
4 **ACCOUNT FROM BUDGET PRONOUNCE-**
5 **MENTS.**

6 (a) IN GENERAL.—Any official statement issued by
7 the Office of Management and Budget, the Congressional
8 Budget Office, or any other agency or instrumentality of
9 the Federal Government of surplus or deficit totals of the
10 budget of the United States Government as submitted by
11 the President or of the surplus or deficit totals of the con-
12 gressional budget, and any description of, or reference to,
13 such totals in any official publication or material issued
14 by either of such Offices or any other such agency or in-
15 strumentality, shall exclude the outlays and receipts of the
16 Public Debt Reduction Payment Account established by
17 section 3114 of title 31, United States Code.

18 (b) SEPARATE PUBLIC DEBT REDUCTION PAYMENT
19 ACCOUNT BUDGET DOCUMENTS.—The excluded outlays
20 and receipts of the Public Debt Reduction Payment Ac-
21 count established by section 3114 of title 31, United
22 States Code, shall be submitted in separate budget docu-
23 ments.

1 **SEC. 105. REPORTS TO CONGRESS.**

2 (a) REPORTS OF THE SECRETARY OF THE TREAS-
3 URY.—(1) Within 30 days after the appropriation is de-
4 posited into the Public Debt Reduction Payment Account
5 under section 3114 of title 31, United States Code, the
6 Secretary of the Treasury shall submit a report to the
7 Committee on Ways and Means of the House of Rep-
8 resentatives and the Committee on Finance of the Senate
9 confirming that such account has been established and the
10 amount and date of such deposit. Such report shall also
11 include a description of the Secretary's plan for using such
12 money to reduce debt held by the public.

13 (2) Not later than October 31, 2002, the Secretary
14 of the Treasury shall submit a report to the Committee
15 on Ways and Means of the House of Representatives and
16 the Committee on Finance of the Senate setting forth the
17 amount of money deposited into the Public Debt Reduc-
18 tion Payment Account, the amount of debt held by the
19 public that was reduced, and a description of the actual
20 debt instruments that were redeemed with such money.

21 (b) REPORT OF THE COMPTROLLER GENERAL OF
22 THE UNITED STATES.—Not later than November 15,
23 2002, the Comptroller General of the United States shall
24 submit a report to the Committee on Ways and Means
25 of the House of Representatives and the Committee on

1 Finance of the Senate verifying all of the information set
 2 forth in the reports submitted under subsection (a).

3 **TITLE II—SOCIAL SECURITY AND**
 4 **MEDICARE LOCK-BOX**

5 **SEC. 201. PROTECTION OF SOCIAL SECURITY AND MEDI-**
 6 **CARE SURPLUSES.**

7 (a) PROTECTION OF SOCIAL SECURITY AND MEDI-
 8 CARE SURPLUSES.—Section 201 of the concurrent resolu-
 9 tion on the budget for fiscal year 2001 (H. Con. Res. 290,
 10 106th Congress) is amended as follows:

11 (1) In the section heading, by inserting “**AND**
 12 **MEDICARE**” before “**SURPLUSES**”.

13 (2) By striking subsection (c) and inserting the
 14 following new subsection:

15 “(c) LOCK-BOX FOR SOCIAL SECURITY AND HOS-
 16 PITAL INSURANCE SURPLUSES.—

17 “(1) CONCURRENT RESOLUTIONS ON THE
 18 BUDGET.—It shall not be in order in the House of
 19 Representatives or the Senate to consider any con-
 20 current resolution on the budget, or conference re-
 21 port thereon or amendment thereto, that would set
 22 forth a surplus for any fiscal year that is less than
 23 the surplus of the Federal Hospital Insurance Trust
 24 Fund for that fiscal year.

1 “(2) SUBSEQUENT LEGISLATION.—(A) Except
2 as provided by subparagraph (B), it shall not be in
3 order in the House of Representatives or the Senate
4 to consider any bill, joint resolution, amendment,
5 motion, or conference report if—

6 “(i) the enactment of that bill or resolution
7 as reported;

8 “(ii) the adoption and enactment of that
9 amendment; or

10 “(iii) the enactment of that bill or resolu-
11 tion in the form recommended in that con-
12 ference report,

13 would cause the on-budget surplus for any fiscal
14 year to be less than the projected surplus of the
15 Federal Hospital Insurance Trust Fund (as assumed
16 in the most recently agreed to concurrent resolution
17 on the budget) for that fiscal year or increase the
18 amount by which the on-budget surplus for any fis-
19 cal year would be less than such trust fund surplus
20 for that fiscal year.

21 “(B) Subparagraph (A) shall not apply to social
22 security reform legislation or medicare reform legis-
23 lation.

1 (3) By redesignating subsections (e) and (f) as
2 subsections (g) and (h), respectively, and inserting
3 after subsection (d) the following new subsections:

4 “(e) CONTENT OF CONCURRENT RESOLUTION ON
5 THE BUDGET.—The concurrent resolution on the budget
6 for each fiscal year shall set forth appropriate levels for
7 the fiscal year beginning on October 1 of such year and
8 for at least each of the 4 ensuing fiscal years of the sur-
9 plus or deficit in the Federal Hospital Insurance Trust
10 Fund.

11 “(f) DEFINITIONS.—As used in this section:

12 “(1) The term ‘medicare reform legislation’
13 means a bill or a joint resolution to save Medicare
14 that includes a provision stating the following: ‘For
15 purposes of section 201(c) of the concurrent resolu-
16 tion on the budget for fiscal year 2001, this Act con-
17 stitutes medicare reform legislation.

18 “(2) The term ‘social security reform legisla-
19 tion’ means a bill or a joint resolution to save social
20 security that includes a provision stating the fol-
21 lowing: ‘For purposes of section 201(c) of the con-
22 current resolution on the budget for fiscal year
23 2001, this Act constitutes social security reform leg-
24 islation.’”.

1 (4) In the first sentence of subsection (h) (as
2 redesignated), by striking “(1)”.

3 (5) At the end, by adding the following new
4 subsection:

5 “(i) EFFECTIVE DATE.—This section shall cease to
6 have any force or effect upon the enactment of social secu-
7 rity reform legislation and medicare reform legislation.”.

8 (b) PROTECTION OF SOCIAL SECURITY AND MEDI-
9 CARE SURPLUSES.—(1) If the budget of the United States
10 Government submitted by the President under section
11 1105(a) of title 31, United States Code, recommends an
12 on-budget surplus for any fiscal year that is less than the
13 surplus of the Federal Hospital Insurance Trust Fund for
14 that fiscal year, then it shall include proposed legislative
15 language for social security reform legislation or medicare
16 reform legislation.

17 (2) Paragraph (1) shall cease to have any force or
18 effect upon the enactment of social security reform legisla-
19 tion and medicare reform legislation as defined by section
20 201(f) of the concurrent resolution on the budget for fiscal
21 year 2001 (H. Con. Res 290, 106th Congress).”.

22 (c) CONFORMING AMENDMENT.—The item relating
23 to section 201 in the table of contents set forth in section
24 1(b) of the concurrent resolution on the budget for fiscal

1 year 2001 (H. Con. Res 290, 106th Congress) is amended
 2 to read as follows:

“Sec. 201. Protection of social security and medicare surpluses.”.

3 **SEC. 202. REMOVING SOCIAL SECURITY FROM BUDGET**
 4 **PRONOUNCEMENTS.**

5 (a) IN GENERAL.—Any official statement issued by
 6 the Office of Management and Budget, the Congressional
 7 Budget Office, or any other agency or instrumentality of
 8 the Federal Government of surplus or deficit totals of the
 9 budget of the United States Government as submitted by
 10 the President or of the surplus or deficit totals of the con-
 11 gressional budget, and any description of, or reference to,
 12 such totals in any official publication or material issued
 13 by either of such Offices or any other such agency or in-
 14 strumentality, shall exclude the outlays and receipts of the
 15 old-age, survivors, and disability insurance program under
 16 title II of the Social Security Act (including the Federal
 17 Old-Age and Survivors Insurance Trust Fund and the
 18 Federal Disability Insurance Trust Fund) and the related
 19 provisions of the Internal Revenue Code of 1986.

20 (b) SEPARATE SOCIAL SECURITY BUDGET DOCU-
 21 MENTS.—The excluded outlays and receipts of the old-age,
 22 survivors, and disability insurance program under title II
 23 of the Social Security Act shall be submitted in separate
 24 Social Security budget documents.

